

Exhibit B

Engagement Letter

**THE LAW OFFICES
OF
JANET S. BAER, P.C.**

70 West Madison Street
Suite 2100
Chicago, Illinois 60602
(312) 641-2162

E-mail:
jbaer@jsbpc.com

Facsimile:
(312) 641-2165

February 11, 2009

Mr. Mark A. Shelnitz
Vice President, General Counsel and Secretary
W. R. Grace & Co.
7500 Grace Drive
Columbia, MD 21044

Re: Retention to Provide Legal Services

Dear Mark:

I am very pleased that W.R. Grace and its subsidiaries and affiliates (collectively, "you", "your," or the "Company") have sought to retain me and my law firm as co-counsel in connection with its chapter 11 case currently pending in the United States Bankruptcy Court, District of Delaware (the "Court"), Case No. 01-1139 (JKF), jointly administered (the "Grace Matter"). Please note, the Firm's representation is only of the Company; the Firm does not and will not represent any shareholder, director, officer, partner, or joint venturer of the Company.

General Terms. This retention letter (this "Agreement") sets forth the terms of your retention of The Law Offices of Janet S. Baer, P.C. (the "Firm") to provide legal services and constitutes an agreement between us. This Agreement sets forth our entire agreement for rendering professional services in the Grace Matter, as well as for all other existing or future matters, except where we otherwise agree in writing.

Personnel. I will be primarily responsible for this engagement. Other attorneys and legal assistants who may become associated with the Firm also may perform services during the course of this engagement. I will involve such other lawyers and legal assistants to the extent that your needs make such involvement desirable and acceptable to you.

Fees. The Firm will bill the Company for fees incurred at its regular hourly rates and in one-tenth (1/10) increments of an hour. My hourly rate is \$625.00 per hour and the hourly rates for other attorneys who may be advising on the Grace Matter will range from \$350.00 to \$625.00 per hour depending upon the seniority and expertise of the attorney involved. For paraprofessional and legal assistant time which may be incurred, our rates range from \$80.00 to

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\$175.00 per hour. I reserve the right to adjust the Firm's billing rates from time to time in the ordinary course of the Firm's representation of the Company.

Although I will attempt to estimate fees to assist you in your planning if requested, such estimates are subject to change and are not binding unless otherwise expressly and unequivocally stated in writing.

Expenses. Expenses related to providing services shall be included in our statements as disbursements advanced by us on your behalf. Such expenses include photocopying, printing, scanning, witness fees, travel expenses, filing and recording fees, certain secretarial overtime, and other overtime expenses, postage, express mail, and messenger charges, deposition costs, computerized legal research charges, and other computer services, and miscellaneous other charges. Our clients pay directly (and are solely responsible for) certain larger costs, such as consultant or expert witness fees and expenses, and outside suppliers or contractors' charges except as otherwise ordered by the Court. By executing this Agreement below, you agree to pay for all charges in accordance with the Firm's schedule of charges, a copy of which is attached hereto at Schedule I, as revised from time to time.

Billing Procedures. Our statements for fees and expenses are typically rendered monthly and, unless other arrangements are made, payment in full is due within thirty days of your receipt of the statement except to the extent modified by Court order. If you have any question concerning any statement, I ask that you raise it within that thirty-day period.

Termination. Our retention may be terminated by either of us at any time by written notice by or to you. Our representation will end at the earliest of (a) your termination of our representation, (b) our withdrawal, and (c) the substantial completion of our substantive work. We normally do not withdraw from a representation unless the client misrepresents or fails to disclose material facts, fails to pay fees or expenses, or makes it unethical or unreasonably difficult for us to continue to represent the client, or unless other just cause exists. If permission for withdrawal is required by a court, we shall apply promptly for such permission, and termination shall coincide with the court order for withdrawal. If this Agreement or our services are terminated for any reason, such termination shall be effective only to terminate our services prospectively and all the other terms of this Agreement shall survive any such termination.

Upon cessation of our active involvement in a particular matter (even if we continue active involvement in other matters on your behalf), we will have no further duty to inform you of future developments or changes in law as may be relevant to such matter. Further, unless you and we mutually agree in writing to the contrary, we will have no obligation to monitor renewal or notice dates or similar deadlines that may arise from the matters for which we had been retained.

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Cell Phone and E-Mail Communication. We hereby inform you and you hereby acknowledge that the Firm's attorneys sometimes communicate with their clients and their clients' professionals and agents by cell telephone, that such communications are capable of being intercepted by others and therefore may be deemed no longer protected by the attorney-client privilege, and that you must inform the Firm if you do not wish the Firm to discuss privileged matters on cell telephones with you or your professionals or agents.

We hereby inform you and you hereby acknowledge that the Firm's attorneys sometimes communicate with their clients and their clients' professionals and agents by unencrypted e-mail, that such communications are capable of being intercepted by others and therefore may be deemed no longer protected by the attorney-client privilege, and that you must inform us if you wish to institute a system to encode all e-mail between the Firm and you or your professionals or agents.

File Retention. All records and files will be retained and disposed of in compliance with our policy in effect from time to time. Subject to future changes, it is our current policy generally not to retain records relating to a matter for more than five years. Upon your prior written request, we will return client records to you prior to their destruction. It is not administratively feasible for us to advise you of the closing of a matter or the disposal of records. We recommend, therefore, that you maintain your own files for reference or submit a written request for your client files promptly upon conclusion of a matter.

No Guarantee of Success. It is impossible to provide any promise or guarantee about the outcome of your matters. Nothing in this Agreement or any statement by our staff or attorneys constitutes a promise or guarantee. Any comments about the outcome of your matter are simply expressions of judgment and are not binding on us.

Consent to Use of Information. In connection with future materials that, for marketing purposes, describe facets of our law practice and recite examples of matters we handle on behalf of clients, you agree that, if those materials avoid disclosing your confidences and secrets as defined by applicable ethical rules, they may identify you as a client, may contain factual synopses of your matters, and may indicate generally the results achieved.

Reimbursement of Expenses. You agree promptly to reimburse us consistent with the appropriate Court Administrative Orders for all fees and expenses, including the amount of the Firm's attorney and paralegal time at normal billing rates, as incurred by us in connection with participating in, preparing for, or responding to any action, claim, suit or proceeding brought by or against any third-party that relates to the legal services provided by us under this Agreement. Without limiting the scope of the foregoing, and by way of example only, this paragraph extends

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to all such fees and expenses incurred by us in responding to document subpoenas, and preparing for and testifying at depositions and trials.

Miscellaneous. This Agreement sets forth our entire agreement for rendering professional services. It can be amended or modified only in writing and not orally or by course of conduct. Each party signing below is jointly and severally responsible for all obligations due us and represents that each has full authority to execute this Agreement so that it is binding. This Agreement may be signed in one or more counterparts and binds each party countersigning below, whether or not any other proposed signatory ever executes it. If any provision of this Agreement or the application thereof is held invalid or unenforceable, the invalidity or unenforceability shall not affect other provisions or applications of this Agreement which can be given effect without such provisions or application, and to this end the provisions of this Agreement are declared to be severable.

We are not advising you with respect to this Agreement because we would have a conflict of interest in doing so. If you wish advice, you should consult independent counsel of your choice.

Please confirm your agreement with the arrangements described in this Agreement by signing below and returning it to me via e-mail at jbaer@jsbpc.com.

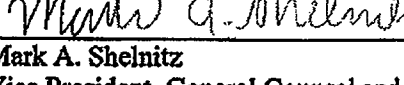
Sincerely,

The Law Offices of Janet S. Baer, P.C.

By: 
Name: Janet S. Baer
Title: President

Agreed to and accepted as of this 11th day of February, 2009.

W.R. Grace & Co.

By: 
Name: Mark A. Shelnitz
Title: Vice President, General Counsel and Secretary

Schedule I

CLIENT-REIMBURSABLE EXPENSES AND OTHER CHARGES

Effective 2/11/09

The following outlines the Firm's policies and standard charges for various services performed by the Firm and/or by other third parties on behalf of the client which are often ancillary to our legal services. Services provided by in-house Firm personnel are for the convenience of our clients. Given that these services are often ancillary to our legal services, in certain instances, it may be appropriate and/or more cost efficient for these services to be outsourced to a third-party vendor.

- **Duplicating, Reprographics and Printing:** The following list details the Firm's charges for duplicating, reprographics and printing services:
 - Black and White Copy or Print (all sizes of paper):
 - \$0.10 per impression
 - Color Copy or Print (all sizes of paper):
 - \$0.50 per impression
 - Scanned Images:
 - \$0.10 per page for black and white or color scans

If services are provided beyond those outlined above, pricing will be based on the Firm's approximate cost and/or comparable market pricing.

- **Secretarial and Word Processing:** Clients are not charged for secretarial and word processing activities incurred on their matters during standard business hours.
- **Overtime Charges:** Secretarial and word processing overtime costs are not passed on to clients unless either (i) the client has specifically requested the after-hours work or (ii) the nature of the work being done for the client necessitates the overtime and such work could not have been done during normal working hours. Costs for related overtime meals and transportation are charged to the client only under the same conditions and subject to any applicable regulations or guidelines.
- **Travel Expenses:** We charge clients only our out-of-pocket costs for travel expenses including associated travel agency fees. We charge only coach fares (business class for international flights) unless the client has approved first-class or an upgrade. Firm personnel are instructed to incur only reasonable airfare, hotel, and meal expenses.
- **Communication Expenses:** We do not charge clients for telephone calls or faxes made from our offices with the exception of third-party conference calls and videoconferences. Charges incurred for conference calls, videoconferences, cellular telephones, and calls made from other third-party locations will be charged to the client at the actual cost incurred. Further, other telecommunication expenses incurred at third-party locations

(e.g., phone lines at trial sites, Internet access, etc.) will be charged to the client at the actual cost incurred.

- **Overnight Delivery/Postage:** We charge clients for the actual cost of overnight and special delivery (e.g., Express Mail and FedEx), and U.S. postage for materials mailed on the client's behalf. We negotiate, use, and pass along volume discount rates whenever possible.
- **Messengers:** We charge clients for the actual cost of a third party vendor messenger.
- **Computerized Research Services:** Client charges are limited to the Firm's actual third-party costs and do not include any surcharges for related overhead. We negotiate, use, and pass along volume discount rates whenever possible. As discounts are customarily based on overall volume, the amount of the discount may vary from month to month.
- **Off-Site Legal Files Storage:** Clients are not charged for off-site storage of files unless the storage charge is specifically approved in advance.
- **Electronic Data Storage:** The Firm does not routinely charge clients for costs to store electronic data and files related to cases on the Firm's systems. However, the Firm will charge for any third-party data storage costs for those cases where the Firm, in consultation with the client, concludes that the size of the matter or need for long-term data storage requires a third-party service provider to provide economical data storage.
- **Supplies:** There is no client charge for standard office supplies. Clients are charged only for special items (e.g., a minute book, exhibit tabs/indexes/dividers, binding, etc.) and then only at the Firm's actual cost.
- **Third-Party Expenditures:** Other third party expenditures (e.g., corporate document and lien searches, lease of office space at Trial location, IT equipment rental, SEC and regulatory filings, etc.) incurred on behalf of a client, will be passed through to the client at actual cost. If the invoice exceeds \$5,000, it is the Firm's policy that wherever possible such charges will be directly billed to the client. In those circumstances where this is not possible, the Firm will seek reimbursement from our client prior to paying the vendor.

Unless otherwise noted, charges billed in foreign currencies are determined annually based on current U.S. charges at an appropriate exchange rate.